

WEATHER FORECAST.

Cloudy to-day, probably rain to-night and to-morrow.
Highest temperature yesterday, 54; lowest, 32.
Detailed weather reports will be found on Editorial page.

THE NEW YORK HERALD

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VOL. LXXXV.—NO. 145—DAILY.

NEW YORK, SATURDAY, JANUARY 22, 1921.—ENTERED AS SECOND CLASS MATTER.

PRICE TWO CENTS

THREE CENTS WITHIN 500 MILES. FOUR CENTS ELSEWHERE.

GERMAN INDUSTRY APPROVES FRENCH REPARATION PLAN

Strong Interests Would Accept It as Basis for Negotiations With Allies.

ASK FIXED INDEMNITY Berlin, However, Will Not Consent to Placing All Her Foreign Trade in Others' Hands.

EXPERTS FOR BRUSSELS Stinnes and Wiedemann Show That Coal and Iron Industries Will Be Pre-dominant.

By RAYMOND SWING. Special Cable to THE NEW YORK HERALD. Copyright, 1921, by THE NEW YORK HERALD. New York Herald Bureau.

The French proposals for a reparations settlement which were accepted by Germany as the basis for negotiations with the Entente Powers have, in many of their points, the backing of the strongest German industrial interests.

According to the *Berliner Tageblatt*, if a final understanding is reached on the French proposals Germany will demand that the total amount of the indemnity she must pay be fixed during the next five years, and not after this period, as otherwise her industry would be hurt seriously, to the detriment of the Allies.

[The French proposals, printed in an exclusive Berlin despatch in *The New York Herald* of January 20, are that Germany shall make reparations payments partly in goods and raw materials and that she enter into an agreement whereby the Allies will have what will be tantamount to control of Germany's foreign trade, with the Reparations Commission collecting a percentage of the money derived from the German export business and applying such funds to Germany's reparations debt. As a condition for entering into negotiations on this basis, Germany demanded: First, that she be permitted to retain Upper Silesia; second, that the army of occupation be reduced, and third, that part of her shipping tonnage be returned to her.]

The Berlin Government will not consent to the Allies assuming entire commercial leadership of Germany. *The New York Herald* correspondent here was authoritatively informed today. Instead, it will be certain to insist that the Germans have direct access to the markets of the world.

The French proposals harmonize with the plans for a reparations settlement worked out by Hugo Stinnes, a leader in German commerce and industry. The naming of Herr Stinnes, his partner, Herr Voelger, and Peter Klockner, another big industrialist, as German Government experts at the Brussels conference is construed here as an indication that the policy of Dr. Walter Simons, German Foreign Minister, is one in which they have faith. The appointment of Herr Wiedemann, a director of the Krupp works, makes the German delegation to Brussels one in which Germany's coal and iron industries are predominant.

Even more favorable to the French proposals is the industrial group led by Herr Guggenheimer of Munich, who is a director of the Augsburg Machine company and a well known figure in Paris.

Opposed to the scheme, in so far as it eliminates America, is the group represented by such financiers as Max Warburg.

It is untrue that the Cabinet has committed itself unalterably to negotiations which would shut America out from a leading share in the future trade and industry of Germany.

BRAND SUPPORTED IN DEMANDS ON GERMANY

Chamber Backs His Reparations Plan, 475 to 68.

By the Associated Press. PARIS, Jan. 21.—Aristide Briand, France's new Premier, and the members of his Ministry were given a record vote of confidence by the Chamber of Deputies this evening. By a vote of 475 to 68 the Deputies put their stamp of approval on the policies of M. Briand, who in a two hour speech, characterized by his vigor and oratory, promised to make the collection of reparations from Germany the guiding principle of his administration.

The Premier avoided a statement of any definite plan for carrying out the treaty and the restoration of France to its former economic position, but promised to devote all his time and energy to this purpose. His remarks frequently were interrupted by applause, in which for the most part, the members of the Right did not join.

At the very outset M. Briand told the Chamber that it must give the new Government a clean cut vote of confidence "at this critical time, when the policies of France probably will be decided for the next two years."

To Insure Automobiles Against Confiscation

ATLANTA, Jan. 21.—"Confiscation insurance" for the protection of dealers and owners of automobiles which have been captured in the transportation of liquor, is now being considered by leading insurance companies, according to a communication to-day by insurance officials here.

The movement has resulted from the recent decision by the United States Supreme Court that automobiles captured in the transportation of liquors are subject to confiscation by the Government regardless of their ownership.

Advices to insurance officials here state that the national automobile conference, composed of insurance companies that write automobile, fire, theft and liability insurance is engaged in the preparation of a policy that will protect dealers and owners alike against the loss of their cars through confiscation by the Government.

EX-PASTOR HELD AS MAIL ROBBER

Confesses He Planned Coup at Mt. Vernon, Ill., Which Netted \$212,000.

MONEY IN EVERY POCKET P. O. Inspectors Recover All But \$300 Cash and \$27,000 Worth of Securities.

Special Despatch to THE NEW YORK HERALD. MOUNT VERNON, Ill., Jan. 21.—Guy Kyle, former clergyman and a prominent business man of this city, has confessed that he planned the mail pouch robbery here a week ago which netted the robbers \$212,000. Kyle implicated four others, none of whom has been arrested.

Prior to his confession \$180,000 was found secreted in and about the home of the former pastor. After the confession Government agents found an additional \$5,000 secreted throughout the house, in bureau drawers, in the floor, in coal pile, and upward of \$1,000 in spare tires in the garage.

A tip of \$5 paid by the retired clergyman to an expressman started the investigation which led to the recovery of the major part of the registered mail load and brought about the arrest. Kyle is 45 years old and has a wife and two children living here. Lawrence Hayes, a former employee of Kyle, was named by Kyle as being his right hand man in the robbery.

About \$100,000 of the money, most of it in fifty and one hundred dollar bills, was found in a garage in the garage now conducted by the former pastor of the Mount Vernon Free Methodist Church.

"Elmer Allen, a teamster, admitted to me to-day that Kyle hired his wagon yesterday to haul two boxes to Kyle's home from the latter's factory," Sheriff Irwin said. "He said he told Kyle the charge would be \$1.50, but that Kyle threw him a \$5 bill and said, 'You did a good piece of work and it's worth \$5 to me.'"

All but \$300 of the amount of cash stolen has been recovered, but \$27,000 in securities still is missing. The authorities are of the belief that Kyle and his confederates destroyed them. The quick solution of the mail robbery is regarded as one of the most remarkable achievements in the annals of the Post Office Department. It was last Friday that the postal inspectors' bureau was upset by the announcement that \$185,000 in currency, most of it in small bills, which easily could be disposed of, and about \$27,000 in securities, had vanished from the railway station at Mount Vernon. Inspectors were rushed to the spot at once and began work.

They learned that most of the money was destined for the payrolls of mines in the city. It had been sent by registered mail from Chicago and St. Louis banks. There were thirty-one packages, all in four sacks. These sacks were turned over to an express man named Sam Moreland for delivery to a railway station. Moreland went back into the post office to telephone. When he came out the four sacks were missing.

Seven officers tonight, in a surprise raid, searched the expressman's apartment where it did the postmaster and the express man realize that a fortune had been stolen from beneath their noses. Neither, so far as the inspectors could learn, did the robbers guess at the richness of the plunder.

Inspectors came to the conclusion that the robbery had been committed by persons living in the neighborhood. By a careful process of elimination they sifted the probable operations to the Kyle-Williamson garage. Williamson reported to the Government inspectors that his partner Kyle had much money during the last week that he was suspicious.

"My partner has money in every pocket," Williamson told the Government officers. "He has been spending money all week. I think he makes it, because he told me there was lots more where that came from."

It is said Kyle admitted to the Government officers tonight that he was once convicted of bootlegging and gambling at Keypoint, Ill. Kyle withdrew from the Free Methodist Church two years ago. He said the poor pay caused his withdrawal. At present he is the leader of a sect known as the Nazarenes.

\$500 FOR KILLING BANK THIEF. Association Votes Standing - Reward to Curb Robbers. KANSAS CITY, Mo., Jan. 21.—A standing reward of \$500 for information leading to the death of each mail killed while attempting to rob a member bank was voted here to-day by the Association of Suburban Bankers.

TREMENDOUS LOAN ASKED IN WALL ST. BY FORD COMPANY

Automobile Factory Needs Sixty to Seventy Millions in Ready Money.

PUBLIC TO SUBSCRIBE Group of N. Y. Financiers Plan to Issue Bonds or Notes for Amount.

FACE BIG OBLIGATIONS Company's Working Capital Burdened by Unsold Cars Worth \$30,000,000.

The Ford Motor Company has come to Wall Street for money for the second time in its history. It is negotiating for \$60,000,000 to \$75,000,000 at present. A group of New York bankers contemplate offering early next week either bonds or notes to the amount required. Public subscription will be invited. The negotiations have reached a point where the Liberty National Bank, New York Trust Company and Corn Exchange Bank are connected with the new financing. An announcement is anticipated at the beginning of the week.

For three or four weeks Henry Ford has been talking about the financial needs of his company with bankers in this and other cities. Bank loans to carry inventories, completed but unsold automobiles and Federal income and excess profits taxes have piled up a financial requirement possibly in excess of \$100,000,000. The bank loans are said to be \$30,000,000. The taxes are estimated at \$4,000,000, but these can be paid in four quarterly installments. The completed but unsold automobiles approximate \$20,000,000 in value. The contemplated financing is to retire bank loans, to meet taxes and to supply adequate working capital.

The Ford Motor Company's new money requirements have grown out of the change which came to the automobile manufacturing business, just as in other businesses, inability of Europe to pay for products sold there, together with the great reduction in buying power at home, resulted in the piling up of finished but unsold products. It is estimated that the Ford company has in the hands of its selling agents more than 100,000 motor cars, completed but undistributed, and a burden on the working capital of the company. As these cars are sold funds will flow back to the company, aiding in the reduction of loans.

Henry Ford's funds occurred in July, 1919, when the company borrowed \$75,000,000 for the purchase of the outstanding minority stock, owned by the Dodge brothers and others. A syndicate composed of Bond & Goodwin, Chase National Bank and Old Colony Trust of Boston extended a credit of \$75,000,000 on the day notes extended for \$1,000 on the day notes extended for \$1,000 and discounted at the prevailing rate for commercial borrowings. At the end of each ninety day period the aggregate of the credit was reduced, and it was finally paid off in full at the close of 1920.

It will be recalled that Henry Ford was the first of the motor car manufacturers to announce a cut in prices for automobiles, trucks and tractors last autumn, the reduction ranging from 17 per cent. to 35 per cent. The reductions for a time were a trade stimulant, but the company found it necessary to close the entire plant at or near the end of the year, and only the other day employees were called to the plant to get the contemplated bonus in lieu of receiving wages while the plant remained closed. There have been several resignations in the official organization of late and it is expected that these will result in several additions to the executive personnel.

DETROIT, Jan. 21.—Officials of the Ford Motor Company would neither confirm nor deny the report from New York that the corporation was negotiating a loan of upward of \$50,000,000. In the absence of Henry Ford, they said they could not discuss the financial affairs of the company.

Personal representatives of Mr. Ford are known to have been in the East during the last few weeks. Rumors have been current for some time that the company contemplated a loan, but officials of the company have refused to discuss them. Mr. Ford is known to be contemplating large expenditures in improvement of the Detroit, Toledo and Ironton Railroad, which he acquired some time ago.

WOMEN MAY WALK STREETS IN TIGHTS No Law to Prevent It in Ottawa if Body Is Covered. OTTAWA, Jan. 21.—Women may walk down the streets of Ottawa in tight leotards, if their bodies are covered. There is no law to prevent them. So ruled Inspector McLaughlin of the Police Morality Squad to-day, following complaint that a woman who was "old enough to know better" had been seen on the main streets with a daringly short skirt.

The police cannot interfere as long as the body is covered, the inspector repeated.

HOME MEALS HIT HIGH COST. Fair Price Commissioner Shows How to Reduce Restaurant Rates. PHILADELPHIA, Jan. 21.—Frank B. McClain, former Lieutenant-Governor and at present Fair Price Commissioner of the State, to-day advocated more home meals as a means to bring down restaurant prices.

He made this suggestion after a conference with restaurant men, in which they refused to reduce prices in conformity with wholesale reductions.

WORKERS ASK LOWER WAGES, FIRM ORDERS LOWER PRICES

PHILADELPHIA, Jan. 21.—A message from the more than 350 employees of the Abram Cox Stove Company, who voluntarily requested a 15 per cent. reduction in their wages, was read to-night at the dinner of the salesmen of that concern.

New prices of the products of the company were announced. The new figures were said to be "down to rock bottom," and credit was given to the employees for the reduction in prices on account of their request for a decrease in wages.

The employees, acting under the John Leitch plan of industrial democracy, adopted a resolution December 24 in which they proposed to the management a voluntary reduction of 15 per cent. in wages. That was done on account of the present depression in business and a desire to aid in reducing running expenses. The Leitch plan consists of a congress of workmen, a senate of foremen and a cabinet of company officials.

Present at the dinner were the officers, department heads and sixty-five salesmen.

WIFE OF FINANCIER IS ODDLY MISSING

Mrs. Margaret Stedman of Boston Had Come to New York City to Shop. CARRIED \$10,000 ON HER

Secrecy Observed in Search of Hospitals and Other Places by Police.

Police Headquarters sent out a confidential report to all police stations last night ordering the detectives to search for Mrs. Margaret Stedman, 50 years old, and the wife of a prominent Boston banker, who disappeared some time during the afternoon with \$10,000 in money and jewelry on her person. Relatives of Mrs. Stedman, who came to New York yesterday afternoon from Hartford, Conn., fear that she may have been assaulted and robbed.

The Police Department made every effort to keep the fact of the search a secret, and instructions were sent to precinct commanders not to talk about it. At headquarters and at the West Thirtieth street station, from which the search for Mrs. Stedman is centering, it was stated that no such alarm had been sent out. Detective James Breckin, in command of the West Thirtieth street bureau, declared that he knew nothing of any search for the missing woman.

It is known, however, that Detective James Finn of the West Thirtieth street station called up and later visited in person New York Hospital and Bellevue Hospital. There he went carefully over the lists of women admitted during the day in an effort to find whether one of them was Mrs. Stedman. He looked in at two or three who appeared to answer the description of the missing Boston woman.

According to information obtained last night Mrs. Stedman came to New York to do some shopping in the Fifth avenue stores. She carried about \$5,000 in cash in her handbag and wore a diamond ring valued at \$5,000. It is understood that she had planned to meet members of her family at a Fifth avenue hotel, and when she failed to appear the police were notified and asked to keep a secret of the fact of her disappearance. For that reason the department denied that an alarm had been sent out.

THOUSANDS JOBLESS, FED BY TOLEDO MAN

Free Meal Tickets Issued to More Than 1,000.

TOLEDO, Jan. 21.—Fifteen thousand loaves of bread and 5,000 quarts of milk were placed at the disposal of Mayor Edward J. Schreiber to-day for distribution among Toledo's unemployed by a local business man.

Slight improvement was noted in the unemployment situation when John R. Cowell, Emergency Labor Commissioner, announced that work had been found for a number of needy men.

The Toledo Social Service Federation to-day issued free meal tickets to more than 1,000 men who claimed to have been out of work for several weeks. Tickets also were given for provisions that might be carried home.

The service federation asked Mayor Schreiber to proclaim the annual city cleanup day immediately instead of later in the spring, to relieve the present unemployment problem.

Boston, Jan. 21.—Unemployment has caused a 91 per cent. increase in appeals for aid so far this year, the city officers of the poor reported to Mayor Peters to-day.

New cases are coming in so rapidly that the Mayor will order emergency measures to provide relief. The lists show twenty-two families in distress.

WHITMAN'S FIGHT ON GRAFT BRINGS GIFT OF \$20,000

Edward Hatch, Jr., Provides Money to Use in Case City Fund Fails.

NOW UP TO OFFICIALS Other Private Citizens Are Ready to Support Grand Jury Inquiry.

SWANN SHOWS ELLATION Members of Police Automobile Squad Call on Ex-Governor to Explain Acts.

Edward Hatch, Jr., whose father was the president of Lord & Taylor, and who originated the "Swat the fly" movement and as chairman of a committee of the Merchants Association has for years fought the pollution of New York harbor and the Hudson River, handed Charles S. Whitman yesterday a certified check for \$20,000.

It is to be used in meeting the cost of Mr. Whitman's Grand Jury investigation of the Police Department in case the city administration refuses to provide the money. Mr. Whitman did not cash the check, but slipped it into a safe deposit box to await developments in the Board of Estimate and the Board of Aldermen.

He refused to discuss a rumor that he has received other offers of financial assistance, but it is a fact that if the Tammany majority at City Hall refuses to finance the inquiry several private citizens in addition to Mr. Hatch are ready to place any needful sum at the disposal of the former Governor.

District Attorney Swann's request for an appropriation of \$20,000 in special revenue bonds came up in a meeting of the Board of Estimate yesterday, and was referred to the finance committee. This is the normal procedure, to which no objection was made. The finance committee will meet Monday. It is now regarded as likely that both the Board of Estimate and the Board of Aldermen, by whom any bond issue must be authorized, will comply with the request.

The political cardinals who oppose an investigation which may or may not concern Tammany are regarded as obvious. And now, with the \$20,000 check in his possession, Mr. Whitman has something with which to shame Tammany into action if nothing else would.

Contribution Pleases Swann. Mr. Whitman was in high feather over something when he reappeared at the Criminal Courts Building late yesterday afternoon after several hours' absence. The reason was apparent when he produced this letter:

"January 21, 1921.
"HON. CHARLES S. WHITMAN:
"My Dear Governor—I am prepared to send you a check to-day for \$20,000 to be used for your investigation of the Police Department if the Board of Aldermen does not approve of and the city does not make an appropriation of \$20,000 for this purpose.

"Very truly yours,
"EDWARD HATCH, JR.
"Hotel Buckingham.

"After writing this," Mr. Whitman said, "Mr. Hatch came unbidden to my office this afternoon and handed me his personal check. There is nothing in it, I believe, to suggest a private individual's expenses of an investigation, but of course I could not use it to pay my own salary."

"Or the salaries of your assistants?" "That's a different matter. I suppose I could pay the men working for me. As a matter of fact, my assistants and myself have been paying our own expenses bills up to the present time. But the investigation will go on."

District Attorney Swann was studying through his window the orange tinted afternoon light in the southwestern sky when he called on Mr. Hatch to act as a "splendid" Mr. Swann said, "and very characteristic of Ed Hatch. Mr. Hatch is a brave man. Only a few people appreciate the personal danger involved in his efforts to stop the pollution of the waters of New York State by sewage and the waste from great pulp mills. He has shown himself to be a brave and fearless fellow and has stood by the public. He is public spirited, as his father was before him."

Mr. Swann said he hoped and believed the desired appropriation would be made by the Aldermen.

A. E. F. YOUTH MARRIES AT 15.

Raymond Burleigh, 29 Months in War, Weds in Nebraska.

LINCOLN, Neb., Jan. 21.—Raymond Burleigh, said to be the youngest soldier to serve with the American Expeditionary Force, was married here Tuesday to Miss Corinne Buffum, it became known to-day.

Burleigh is said to have enlisted in 1917 at the age of eleven. He served twenty-nine months in France.

\$24,000 Radium Needles Found in 2 Day Search

PHILADELPHIA, Jan. 21.—Two radium needles valued at \$24,000 were found to-day in rubbish at the Medical Arts Building here. They had been missing since Wednesday, when they were inadvertently swept from a table in an operating room. The office force joined the building's porters in an all day search of the basement before they were found.

The needles are three-quarters of an inch long, one-sixteenth of an inch in diameter. They possess a slender aperture at one end into which the precious element is poured.

MILLER CONSIDERS HIGHER CAR FARES

Governor Preparing Message to Legislature on City Traction Problems.

WILL REORGANIZE P. S. C. G. O. P. Leaders Expect to Out-point Hyman by Eliminating Issue From Politics.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. Gov. Miller is ready to deal with New York city's traction problem. He is understood to have determined upon a course of action which is to decide once and for all whether a higher fare is to be granted to the transit companies in the metropolitan district.

The Governor is completing to-day the important message on which he has been working for weeks, dealing with every phase of the eight cent fare. The document will be sent to the Legislature next Monday night.

Just what specific form the Governor's recommendations will take is as yet entirely a matter of guesswork. But the best guess heard here is that he may ask the Legislature to reorganize the Public Service Commission in New York, giving the new body complete and absolute power to make the most searching investigation ever conducted into the city's transit situation.

Such a commission might even be clothed with authority to fix fares on some sort of a flexible basis, if deemed essential to save certain lines from going into bankruptcy.

The Governor has stated in his discussion of the subject with legislative leaders that he proposed to proceed along "sound and logical lines" and that before trying to apply a remedy he would have to know all the symptoms of the disease. Here are some of the things the new commission may try to learn.

To exactly what extent the traction corporations are over-capitalized. It is doubtful whether there is any process of law by which water can be turned out of stockholders' pockets. It may be possible, however, by showing all of the facts, to compel the corporations to make concessions if they want fares.

Where there is waste, unfair preferential, exorbitant salaries and manipulation of accounts to make operating expenses look big.

Armed with these facts, most of which are now known to officials trying to tinker with fares, the State would be in position to dictate terms to the corporations. The Governor's commission would know exactly what basis there was for the Interborough's demand for an increased fare.

To increase the elevated fare to eight cents and leave the subway rate at five would upset New York, it is believed, because it would lead to boycotting of the elevated and condition of overcrowding in the subway which would be intolerable.

The Governor is understood to be anxious to keep the question out of politics. Mayor Hyman is known to be grasping the eight cent issue just like a strapping giant. The Republican leaders in New York would like to lift the subject out of the next municipal campaign. It is believed here that perhaps the Governor's handling may rob the whole thing of its political possibilities.

The legislative leaders who have been trying to deal piecemeal with the issue are awaiting the Governor's message before going further. The New York city Senator and Assemblymen have called a conference for Tuesday to discuss a plan of organizing the city delegation to fight every move toward a higher fare. They want an investigation, and, if the result may get exactly what they demand out of the Governor's recommendations.

10 CENT FARE REFUSED FOR ALBANY AND TROY

Traction Line Must Stay at 7 Cent Schedule.

Special Despatch to THE NEW YORK HERALD. New York Herald Bureau. The up-State Public Service Commission to-day refused the application of the Albany and Troy Traction Company, which before going further, for a 10 cent increase in fare from 7 to 10 cents. It allowed the company to charge 8 cents in Albany, continued the 7 cent fare in Troy and ordered a reduction in Rensselaer county.

The commission declared it had no disposition to grant big fare increases to traction lines, stating that the "future trend of wages and expenses will be downward."

SCHWAB FORCES ABADIE APOLOGY FOR ASPERSIONS

Rushes to Walsh Committee to Denounce 'Unmitigated and Malicious' Statements.

NEVER GOT ANY U.S. PAY Colonel Blames Auditors for Misinformation Leading to Charges in Ship Board Account.

SCHWAB LOOKED FOR IT Begged Wilson to Relieve Him From Fleet Corporation Position Because of Bethlehem Job.

Charles M. Schwab, chairman of the board of the Bethlehem Steel Corporation and formerly Director-General of the Emergency Fleet Corporation, branded yesterday as "unmitigated and maliciously false" the story of the \$260,000 expense voucher for personal expenses to which currency had been given through the testimony of Col. Eugene H. Abadie, formerly general controller of the Shipping Board.

Mr. Schwab, accompanied by Eugene G. Grace, president of the Bethlehem Steel Corporation, and Paul D. Cravath, his counsel, was early in his arrival in the Pennsylvania Hotel, where the Walsh Congressional investigating committee is sitting. The chairman himself had not yet arrived for the opening of the 9 o'clock session.

Mr. Schwab lost no time in demanding an immediate hearing on the matter of the voucher. Representative Walsh, though the committee never before had thus interrupted the current of a witness' evidence to accommodate another, deemed the request worthy enough to warrant the creating of a precedent. He suspended Col. Abadie's evidence and swore Mr. Schwab, who then entered his protest in the record.

After Mr. Schwab had left the room there were two other instances in which his name was again brought into the proceedings. Martin J. Gillen, formerly special assistant to the chairman of the Shipping Board during the time that post was filled by John Barton Payne and afterward by Rear Admiral William S. Benson, took the witness stand late in the afternoon.

Gillen Backs Schwab. He testified that there was nothing in the report which Col. Abadie had repeated on the authority of Percy Morse, head of a firm of certified public accountants, to the effect that the voucher for \$260,000 purporting to be for Mr. Schwab's personal expenses for the month of October, 1918, had been charged in part to the Government's ship construction account. Mr. Gillen asserted that the voucher in question had been charged "to the profit and loss account of the Bethlehem Shipbuilding Corporation," and that an employee of the Percy Morse concern who had assisted in making the earlier Standard Oil Company and the Luckenbach audits of the Bethlehem books, in which this voucher was said to have been turned up, had stated in the witness' presence that "there was nothing wrong" with the item.

Before Col. Abadie was excused in the day the committee forced him, tell, very reluctantly, of a conference at which he and other Shipping Board officials had met Mr. Schwab and Bethlehem Steel representatives. Abadie, at the direction of Admiral Benson, there permitted Mr. Schwab to inspect the contract between the Shipping Board and the Percy Morse concern, under which Percy Morse & Co. were to examine and audit the books and accounts of the various shipping plants of the Bethlehem Corporation. That contract had been executed by Percy Abadie.

Mr. Schwab and his associates pronounced against it. They objected to Percy Morse & Co. at the ground that they were "sensationalists" and because of an outgrowth of a previous case the firm had been placed under supervision by the State Association of Certified Public Accountants. Mr. Schwab was willing to welcome any other firm of public accountants in good standing.

Deadlock Over Auditors. Col. Abadie refused to modify his contract already made by him with Percy Morse & Co., and Rear Admiral Benson sustained him. He testified, at that position. Within fifteen days after the occurrence described, during which Mr. Schwab got access to the terms of the Percy Morse contract, however, Mr. Abadie's resignation was virtually demanded by the Shipping Board, and when he tendered it, Admiral Benson accepted it on April 1 to take effect April 30, but relieved him of his duties instantly and placed him on detached leave. For more than two months after the execution of the auditing contract the employees of Percy Morse & Co. were daily to the doors of the several shipbuilding plants and demanded entrance to begin the work of the audit, but admittance was denied them.

That deadlock continued until, after Col. Abadie's retirement, when, according to the testimony of Mr. Gillen, a compromise was made about by Mr. Gillen, acting at the instance of the chairman of the Shipping Board. An amicable understanding was reached whereby the Percy Morse forces were to confine their Bethlehem audit to the labor and material accounts, while the

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THE NEW YORK HERALD

TO-MORROW—SUNDAY

And don't overlook the offerings of Employment Agencies for help of the better kind.